

UNAPPROVED MINUTES

COUNCIL MEETING

June 28, 2010

A regular meeting of the Council of the City of Salem, Virginia, was held in Council Chambers, City Hall, 114 North Broad Street, on June 28, 2010, at 7:30 p.m., there being present all the members of said Council, to wit: Byron Randolph Foley, John C. Givens, Jane W. Johnson, William D. Jones, and Lisa D. Garst; with Byron Randolph Foley, Mayor, presiding; together with James E. Taliaferro, II, Assistant City Manager and Clerk of Council; Frank P. Turk, Director of Finance; Melinda J. Payne, Director of Planning and Economic Development; William L. Simpson, Jr., Assistant City Engineer; Mike Stevens, Communications Director; and Stephen M. Yost, City Attorney, and the following business was transacted:

The June 14, 2010, work session and regular meeting minutes were approved as written.

The report by the Director of Finance of the City's financial status for an eleven-month period ending May 31, 2010, was received and ordered filed.

Mayor Foley requested that Council consider an ordinance on second reading amending Chapter 90, Article IV, Division 2, Section 90-257 pertaining to water rates within the City of Salem; ordinance was passed on first reading at the June 14, 2010, meeting; consider an ordinance on second reading amending Chapter 90, Article IV, Division 4, Subdivision I, Section 90-303 and Subdivision II, Section 90-322 pertaining to sewer rates within the City of Salem; the ordinance was passed on first reading at the June 14, 2010, meeting; consider an ordinance on second reading amending Chapter 90, Article III, Division 3, Subdivision I, Section 90-74(a) pertaining to water connection charges within the City of Salem; the ordinance was passed on first reading at the June 14, 2010, meeting;

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILMAN JONES, AND DULY CARRIED, ordinances on second reading amending Chapter 90, Article IV, Division 2, Section 90-257 pertaining to water rates within the City of Salem; Chapter 90, Article IV, Division 4, Subdivision I, Section 90-303 and Subdivision II, Section 90-322 pertaining to sewer rates within the City of Salem; and Chapter 90, Article III, Division 3, Subdivision I, Section 90-74(a) pertaining to water connection charges within the City of Salem were hereby adopted:

(HERE SET OUT ORDINANCES)

ITEM 1

ORDINANCE
ADOPTED
AMENDING
CHAPTER 90,
ARTICLE IV,
DIVISION 2,
SECTION 90-257
PERTAINING TO
WATER RATES,
AND

ITEM 2

ORDINANCE
ADOPTED
AMENDING
CHAPTER 90,
ARTICLE IV,
DIVISION 4,
SUBDIVISION I,
SECTION 90-303
AND SUBDIVISION
II, SECTION 90-322
PERTAINING TO
SEWER RATES,
AND

ITEM 3

ORDINANCE
ADOPTED
AMENDING
CHAPTER 90,
ARTICLE III,
DIVISION 3,
SUBDIVISION I,
SECTION 90-74(a)
PERTAINING TO
WATER
CONNECTION
CHARGES WITHIN
WITHIN THE CITY
OF SALEM

– the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

ITEM 4
ORDINANCE
PASSED ON FIRST
READING
AMENDING
CHAPTER 82,
ARTICLE IX,
SECTIONS 82-255
AND 82-256
PERTAINING TO
RECORDATION
TAX

Mayor Foley requested that Council consider an ordinance on first reading amending Chapter 82, Article IX, Section 82-255 and 82-256 pertaining to Recordation Tax; and

WHEREAS, the City Attorney stated that the recordation tax is not a new tax; he stated that Salem has been charging the recordation tax for recordings in the Circuit Court Clerk's Office since it became a city in 1968 in an amount precisely as described by state law; he stated that the reason this is before Council is when the state auditor was recently making its annual audit in the Circuit Court Clerk's Office, it was requested that the recordation tax to be codified, placed in the code book; it has not been recently codified even though it has been in existence for 42 years; he further stated that the ordinance does not change anything, it merely places it in the Code of the City of Salem, Virginia;

ON MOTION MADE BY COUNCILWOMAN JOHNSON, SECONDED BY COUNCILWOMAN GARST, AND DULY CARRIED, an ordinance entitled, "AN ORDINANCE TO AMEND, REVISE, AND REORDAIN CHAPTER 82, ARTICLE I, SECTIONS 82-255 AND 82-256, OF THE CODE OF THE CITY OF SALEM, VIRGINIA, PERTAINING TO RECORDATION TAX" was hereby passed on first reading – the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

ITEM 5
CONTRACT
AWARDED TO
LANFORD
BROTHERS FOR
REPAIR WORK ON
THE APPERSON
DRIVE BRIDGE AT
419

Mayor Foley requested that Council consider awarding contract for bridge repair - #1801 Apperson Drive at 419; and

WHEREAS, Vice Mayor Givens, Chairman of Council's Audit-Finance Committee, stated that for consideration is the result of the bid for repair work on the Apperson Drive Bridge at 419; the repairs consist of replacing the outside bearings on pier and at abutments A & B, a total of six bearings; three bids were received for the project with the bid of Lanford Brothers being low bid at \$54,205.98; it is the recommendation of the Engineering Department, Finance Department, and the Committee that the low bid be approved and the proper city officials authorized to execute the contract; and

WHEREAS, Mayor Foley questioned how long the repairs would extend the life of the bridge; and

WHEREAS, the Assistant City Engineer stated that it would extend the life of the bridge another 10 to 15 years; and

WHEREAS, a discussion was held regarding the bids received for the repair work (i.e. costs, length to repair, etc.);

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILMAN JONES, AND DULY CARRIED, the contract for bridge repair on the Apperson Drive Bridge at 419 was hereby awarded to Lanford Brothers in the amount of \$54,205.98 and the proper city officials are authorized to execute the contract – the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

Mayor Foley requested that Council consider authorizing appropriate City Staff to execute a contract to replace the Computer Aided Dispatch (CAD) system at the Salem Police Department; and

WHEREAS, Vice Mayor Givens, Chairman of Council’s Audit-Finance Committee, stated that the Police Department’s “Computer Aided Dispatch System (CAD)” has been in danger of collapsing and becoming non-functional for over a year; computer support for this “legacy system” is provided by a company located in Salt Lake City, Utah, and they have informed the City they will no longer provide enhancements or support; replacement of this system is one of Salem’s top priorities; the project is expected to cost \$650,000 and Salem has been awarded a \$150,000 grant toward the project; the City issued a RFP stating its intention to acquire the system through the “Competitive Negotiation” method on February 9, 2010; on March 10, proposals were received from seven vendors; a committee comprised of Chief Jeff Dudley, Lt. Mike Green, Supervisors Valerie Ramey and Patrick Morton reviewed the proposals and selected three vendors for interviews and demonstrations; upon completion, Sungard/OSSI was ranked No. 1 and the City engaged in contract negotiations; after successful negotiations were completed, a report was submitted to the City Manager’s Office and the Finance Department; the report was reviewed by the Committee and the Committee concurs with the Salem Police Department’s recommendation to accept the negotiated proposal of Sungard/OSSI in the amount of \$502,370 along with additional costs for training and equipment, which should not exceed \$552,330; funding for this system will come from a proposed debt issuance scheduled for later this summer; and

WHEREAS, Councilman Jones questioned where the debt service would come from; and

<p>ITEM 6 RESOLUTION 1162 ADOPTED ESTABLISHING VARIOUS MISCELLANEOUS FEES FOR FISCAL YEAR 2010-2011 EFFECTIVE JULY 1, 2010</p>
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WHEREAS, the Director of Finance stated that the debt service would be associated with the addition to the Public Safety Building—judges facility; and

WHEREAS, Councilwoman Garst questioned the life expectancy of the system; and

WHEREAS, the Director of Finance stated that the life expectancy is approximately 10 to 15 years; and

WHEREAS, Councilwoman Garst questioned if this was a completely new system or if it tied in with the current system; and

WHEREAS, the Director of Finance stated that it is a completely new system that will work and be completely backed-up at the new data center; and

WHEREAS, a discussion was held regarding the current system, proposed system, funding for the project, etc.;

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILWOMAN JOHNSON, AND DULY CARRIED, appropriate City Staff are hereby authorized to execute a contract with Sungard/OSSI in the amount of \$502,370 along with additional costs for training and equipment which should not exceed \$552,330 – the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

ITEM 7
APPROPRIATE CITY
STAFF
AUTHORIZED TO
EXECUTE
CONTRACTS FOR
SEVERAL SEWER
SYSTEM
REHABILITATION
PROJECTS

Mayor Foley requested that Council receive a report and consider authorizing appropriate City Staff to execute contracts for several sewer system rehabilitation projects; and

WHEREAS, Vice Mayor Givens, Chairman of Council's Audit-Finance Committee, stated that the DEQ Consent Order and the need on the City's part to begin the rehabilitation process has been discussed; the City has been awarded approximately \$4.7 million in loans for this process; with this in mind, a "Request for Bid" was issued for the project; the project was designed by OLVER Incorporated, Consulting Engineers; on May 19, 2010, eleven (11) bids were received for this project; the project has four parts and bidders were invited to bid on one or more, or all parts; the bids were reviewed by the Director of Water/Sewer, the Director of Finance, and this Committee; it is recommended that the bids be awarded as outlined in the OLVER Report (Contract A Lining - awarded to Inland Waters Pollution Control, Inc. in the amount of \$1,229,510.00;

Contract B Bursting – awarded to Branscome Infrastructure Group in the amount of \$839,082.00; Contract C MH Covers – awarded to Portland Utilities Construction Co, LLC in the amount of \$138,998.02; and Contract D MH Interior – awarded to AM-Liner East, Inc. in the amount of \$179,078.00) and that the proper city officials are authorized to execute the required contracts; and

WHEREAS, Councilwoman Garst questioned who the project manager would be for the projects; and

WHEREAS, the Clerk of Council stated that the Director of the Water/ Sewer Department would oversee the projects and he will also be assisted by OLVER; and

WHEREAS, a discussion was held regarding the timeline for the project, scope of the project, monies for the project, etc.

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILMAN JONES, AND DULY CARRIED, appropriate City Staff are hereby authorized to execute contracts for several sewer system rehabilitation projects – the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

Mayor Foley requested that Council consider adopting Resolution 1163 defining the City's policy for paying the VRS Employee Share for new hires after July 1, 2010; and

WHEREAS, Vice Mayor Givens, Chairman of Council's Audit-Finance Committee, stated that the Committee discussed Resolution 1163 stating the city's intent to continue to pay the employees' share of the Virginia Retirement System (VRS) costs; he stated that this affects employees hired July 1, 2010, and after; he stated that Council will re-evaluate this decision on a yearly basis; and

WHEREAS, Mayor Foley stated that he feels that the City should continue to pay the employees' share of the VRS costs; it will keep the City competitive in the job market; he further stated that he can foresee a time in the City's future that this may have to be re-examined in order for the city to be more fiscally responsible and viable; and

WHEREAS, Councilman Jones concurred with Mayor Foley's statements;

<p><u>ITEM 8</u> RESOLUTION 1163 ADOPTED DEFINING THE CITY'S POLICY FOR PAYING THE VRS EMPLOYEE SHARE FOR NEW HIRES AFTER JULY 1, 2010</p>
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ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILMAN JONES, AND DULY CARRIED, Resolution 1163 defining the City's policy for paying the VRS Employee Share for new hires after July 1, 2010, was hereby adopted:

(HERE SET OUT RESOLUTION 1163)

– the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

ITEM 9
ORDINANCE
PASSED ADDING
SECTION 82-5.1
ADMINISTRATIVE
FEES AND COSTS
OF COLLECTION TO
THE CODE OF THE
CITY OF SALEM,
VIRGINIA

Mayor Foley requested that Council consider an ordinance on first reading adding Section 82-5.1 Administrative Fees and Costs of Collection to the Code of the City of Salem, Virginia; and

WHEREAS, Vice Mayor Givens, Chairman of Council's Audit-Finance Committee, stated that the Committee met and discussed various administrative costs and fees; when efforts are made by the Treasurer's Office, Finance Department, and commissioner of the Revenue to collect delinquent taxes and other receivables, expenses are incurred by the City in this effort; although not exceedingly expensive, costs up to \$100 are not uncommon; the Code of Virginia, Section 58.1-3958 provides authorization for localities to include these costs as part of the collection process; accordingly, it is requested that Council approve an ordinance adding Section 82-5.1 to the City Code to provide the City with the authority to recoup some of its collection costs during these tight budget times;

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILWOMAN JOHNSON, AND DULY CARRIED, an ordinance entitled, "AN ORDINANCE TO AMEND, REVISE, AND REORDAIN CHAPTER 82, ARTICLE I, SECTION 82-5.1 OF THE CODE OF THE CITY OF SALEM, VIRGINIA, PERTAINING TO ADMINISTRATIVE FEES AND COSTS FOR COLLECTIONS," was hereby passed on first reading – the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

ITEM 10
CERTAIN CITY
OFFICES CLOSED
TO THE PUBLIC ON
THURSDAY, JULY 1,
2010, TO
FACILITATE THE
ANNUAL AUDIT

Mayor Foley requested that Council consider closing certain City Offices to the public on Thursday, July 1, 2010, to facilitate the annual audit (Treasurer, Finance, Utility Collections, and Commissioner of the Revenue);

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILWOMAN JOHNSON, AND DULY CARRIED, the following offices are

hereby closed on July 1, 2010, to facilitate the annual audit: Treasurer, Finance, Utility Collections, and Commissioner of the Revenue – the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

Mayor Foley requested that Council consider appointments to fill vacancies on various boards and commissions;

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILMAN JONES, AND DULY CARRIED, Joseph Kyle, III; Charles T. Gwaltney; Betty Waldron; and Joseph Harris, II, were hereby reappointed to the Fair Housing Board for three-year terms, said terms will expire July 1, 2010 – the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

ITEM 11
JOSEPH KYLE, III;
CHARLES T.
GWALTNEY; BETTY
WALDRON; AND
JOSEPH HARRIS, II
REAPPOINTED TO
FAIR HOUSING
BOARD

Mayor Foley requested that Council consider the request of the City Manager to hold a closed session pursuant to provisions of Sections 2.2-3711 A (7) of the 1950 Code of Virginia, as amended, for consultation with legal counsel on a specific legal matter; and Section 2.2-3711 A (1) to discuss a personnel matter;

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILWOMAN JOHNSON, AND DULY CARRIED, in accordance with Section 2.2-3711 A. of the Code of Virginia, 1950 as amended to date, Council convened to Closed Session at 7:46 p.m. for consultation with legal counsel, which is authorized by Section 2.2-3711 A. (7) and to discuss a personnel matter regarding an appointment or reappointment of an individual to certain boards and commissions, which is authorized by Section 2.2-3711 A. (1) of the Code of Virginia, 1950 as amended to date -- the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

ITEM 12
CLOSED SESSION
FOR
CONSULTATION
WITH LEGAL
COUNSEL AND TO
DISCUSS A
PERSONNEL
MATTER

Upon reconvening at 8:32 p.m.;

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILWOMAN JOHNSON, AND DULY CARRIED, in accordance with Section 2.2-3712 D. of the Code of Virginia, 1950 as amended to date, Council hereby certifies that in Closed Session only items lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and only such items identified in the motion by which the Closed Session was convened were heard,

discussed, or considered by the Council -- the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

There being no further business to come before the Council, the same on motion adjourned at 8:33 p.m.